

# Supplementary Letter of Exchange

## For Irish Life one-member Company Pension Schemes

(Replace employer as trustee with independent trustee, Employer remains unchanged)

between

("the employer")

and

Independent Trustee Services Limited

☐

or

Dedicated Trustee Services Limited

☐

("the new trustee")

and

("employee")

Date

Dear Employee

This letter of exchange is supplemental to

- (i) the letter of exchange dated  (the first letter of exchange)  
between the "employer" and you whereby the Irish Life Pension Plan, policy  
reference number  ("the scheme") was set up and
- (ii) the scheme rules appointing the "employer" as Trustee of the Scheme.

The employer, as trustee, confirms that it has completed the attached endorsement to the letter of exchange and scheme rules to provide for member discretion in relation to how the scheme's resources are invested.

The first letter of exchange and scheme rules gives the employer the power of appointing new and/or additional trustees and/or removing trustees of the Scheme.

The employer in exercise of its power conferred upon it by the scheme rules and any other such power, hereby appoints the new trustee as selected above to be trustee for the benefits of the scheme in place of the employer. The employer hereby formally confirms its resignation from these duties and liabilities.

The employer declares that all assurance policies/plans issued to the employer as trustee by Irish Life Assurance plc under the above scheme and the right to receive all monies payable or that may become payable shall vest in the new trustee as trustee with effect from the date of this letter.

The new trustee will own these assurance policies/plans in trust which will be subject to the terms of the first letter of exchange and scheme rules and any subsequent amendments to the scheme rules.

Subject to the terms of this letter and except where inconsistent with the context of the provisions of the first letter of exchange, the scheme rules and the assurance policies/plans shall with effect from the date of this letter be read and construed as if the expression "the employer" as trustee contained therein made reference to the new trustees instead of to the employer and as if the expression "the trustees" contained therein made reference to the new trustee instead of the employer.

Please acknowledge that you have received this letter by signing below and returning it to the employer.

Yours faithfully

for the employer

Your job title

Employer email address:

**Employee acknowledgement and declaration**

I acknowledge receipt of this letter. I consent to Irish Life and the trustee processing and holding (on computer or otherwise) all information disclosed by me or on my behalf including financial details for the purpose of administering all aspects of this scheme. I consent to Irish Life and the trustee disclosing the data for the above purposes and to persons necessary in connection with the above purposes including to regulator authority or, as required by law to other insurance companies or to other companies in the Company's group.

I declare that I have been provided with the necessary information to make an informed investment decision, and I confirm the investment as previously selected by the employer, as trustee, is to continue, or

I confirm the fund choice/investment strategy is as follows:


Please note: Access to certain funds may be restricted

Signed:

(Employee)

Employee Address:


Employee email address

**WARNING: This Supplementary Letter of Exchange (SLOE) is an important legal document. Do not sign unless (A) you are certain you understand it and it meets your needs and (B) you have consulted your solicitor and financial adviser.**

**IMPORTANT: While every care has been taken to ensure that this SLOE has been drafted correctly Irish Life Assurance plc and its servants or agents cannot accept any liability (including liability in negligence) for such documentation.**

# Endorsement to the Letter of Exchange and Scheme Rules

This Endorsement is effective from the date of the attached Supplementary Letter of Exchange. It shall form part of the attached Supplementary Letter of Exchange, the original Letter of Exchange and Scheme Rules document. It shall be read in conjunction with this document, the Schedule, the Supplementary Schedule, the Application Form and any subsequent endorsement which may be added to the scheme.

## **Definitions**

**Eligibility** - a single employee or a single director of the employer shall be eligible for inclusion in the scheme at the employer's discretion. The employee or director to be nominated for inclusion in the scheme shall be selected by the employer at commencement of the scheme. The scheme is established for that one person only and that one person will always be the only member.

## **Independent Trustee**

The individual(s), or organisation appointed as the trustee(s) of the scheme, that is not the employer.

**Member** - means the single employee or director of the employer who is eligible for membership and is nominated to be included in the scheme. For this purpose employee is a member of staff or director of the employer to whom the Letter of Exchange is addressed.

**The Scheme** - means the "one member arrangement" set up by the Letter of Exchange and Scheme Rules, and named in the Letter as the Scheme.

The Scheme is established as a "one member arrangement" within the meaning of Article 2 of the Occupational Pension Schemes (Investment) Regulations, 2006 (S.I. No 294 of 2006) and within the meaning of "One Member Arrangement" of Article 4 of the Occupational Pension Schemes (Disclosure of Information) Regulations, 2006 (S.I. No 301 of 2006).

## **Trustee duties and powers**

### **Investment of the scheme resources**

- 1.1** *The resources of the scheme shall be invested in accordance with directions given by the member at the member's discretion in one or more plans or policies issued by the Life Office.*
- 1.2** The trustee may propose to the member different types of investments which could be made by the trustee at the direction of the member in plans or policies issued by the Life Office ("the investment alternatives").
- 1.3** Where the member gives no direction as provided for in 1.1 and 1.2 or as provided for generally in these rules, the trustee shall determine within which (and in what proportion) of the investment alternatives the resources of the scheme are to be invested until such time as the member gives direction otherwise. The investment alternative(s) so chosen by the trustee shall be known as the "default investment strategy". The trustee will determine the default investment strategy having regard to the member's age, normal retirement date and such other factors which the trustee considers appropriate at the relevant time.
- 1.4** Where the member wishes to give direction to the trustee as to how the resources of the scheme are to be invested, and where at the time of giving such direction the resources have been invested otherwise by the trustee, the trustee shall be permitted a reasonable period of time to give effect to the members direction having regard to the type of investment then invested in and the type of investment to be subsequently invested in. Where the giving of effect to the member's direction gives rise to costs these costs shall accrue to the scheme.
- 1.5** The trustee shall incur no liability solely by reason of giving effect to the directions of the member given in accordance with these rules.
- 1.6** The trustee shall not be liable for poor investment returns as a result of investments made by the trustee, or made by the trustee as a result of directions from a member.

- 1.7 Enquiries about investment alternatives and any default investment strategy should be forwarded to the trustee at the trustee's business address detailed on the trustee's welcome pack.

#### **Appointment and removal of a trustee**

- 1.8 The power of appointing new or additional trustees or removing trustees of the scheme and of the trusts established here, shall be vested in the employer. That is unless the employer is liquidated or is unable or unwilling to carry out their responsibilities as outlined in the rules. In this case it will be possible for the relevant life office to exercise the power of appointing new or additional or removing trustees of the scheme if it considers it to be in the best interests of the member.

Where there are no trustees or the trustees cannot be found, the Pensions Board may, if it considers it desirable to do so, appoint a new trustee or trustees in accordance with Section 64 of the Pensions Act 1990.

The High Court may, on application to it by the Pensions Board by petition, make an order for the removal of a trustee and the appointment of a new trustee in accordance with Section 63 of the Pensions Act 1990.

A body corporate may act as sole trustee or with one or more other trustees, but if each trustee is an individual then the number of trustees shall be at least two.

#### **Resignation of a trustee**

- 1.9 A trustee may resign from the position of trustee. If the last remaining trustee resigns then the employer shall use the power vested in them to appoint a trustee and notify Irish Life accordingly of any appointment. If the employer does not appoint a trustee then the employer will automatically be appointed as trustee.

#### **Member's discretion in relation to how the scheme's resources are invested**

***The member shall have discretion to give direction to the trustees as to how the scheme resources are to be invested in one or more plans or policies issued by the Life Office.***

#### **Winding up the scheme**

The scheme shall be wound up where one of the following applies:

- the member decides that the scheme shall be wound up; or
- the employer decides that the scheme shall be wound up; or
- an order is made or resolution is passed to wind up the employer and no person agrees under the appropriate rule to take over the scheme; or
- a new employer who takes over the business of the employer does not agree under the appropriate rule to take over the scheme.

When the scheme is wound up, the trustee must use the remaining proceeds of any relevant plan to provide benefits for the member and his dependants. Subject to the approval of the Revenue Commissioners, benefits for the member and his dependants shall be provided either by assigning to the member a paid-up insurance plan already held for the purpose of the scheme subject to the agreement of the Life Office, or purchasing non-assignable and non-commutable benefits from a life assurance company authorised to carry out business in Ireland, or by payment of transfer values to a PRSA subject to the restrictions of the Pensions Act, or by payment of transfer values to schemes of the member's other employers. Where the proceeds of the plan cannot be applied in this way, they will revert back to the employer.

Within 12 weeks after a decision to wind up the pension scheme has been made or the date on which the trustee first becomes aware or ought reasonably to have been aware that an event has occurred which requires the scheme to be wound up, notification must be sent to the member (or other persons entitled to receive benefits under the scheme) and the Pensions Board that a decision has been made, or an event has occurred, to wind up the scheme.

On a scheme becoming wound-up the member's discretion as provided for in these rules shall cease and the trustee shall have sole discretion as to how the resources of the scheme are thereafter applied.



**Irish Life**